

Accidental Death & Dismemberment

NOTE: These standards are provided to assist the insurer in filing forms and rates. They are not intended to be all-inclusive, and are a work in progress. References beginning with "31A" refer to the insurance code as part of Utah Code Annotated (U.C.A.) and those beginning with "R590" refer to department rules as part of the Utah Administrative Code (U.A.C.). The comments are a brief synopsis of the reference material and do not contain all requirements or exceptions. All references should be reviewed for compliance. As required by U.C.A. § 31A-21-201(2), the insurer is responsible for assuring that forms and rates submitted comply with Utah Insurance Code and Rules.

General Requirements		
Application	31A-21-201(3)	Questions used to elicit health condition information may not be vague and must reference a reasonable time frame in relation to the health condition.
Arbitration	R590-122 Bulletin 96-7	An arbitration provision must be properly disclosed in the policy, certificate, application and enrollment forms. It may not deprive Utah courts of jurisdiction over an action against an insurer, except as provided in permissible arbitration provisions.
Certificate Disclosure	31A-21-311	The certificate shall contain a summary of the essential features of the insurance coverage, including any rights of conversion.
Claim Settlement	31A-26-303 R590-192	Provides for fair and rapid settlement of claims and protection of claimants from unfair claims settlement practices.
Company Name	31A-21-201 & 301(1)	The exact name of the insurer and its state of domicile must appear conspicuously in the policy.
Dependent Coverage	31A-22-718	No policy that provides coverage to children may deny eligibility for coverage to a child solely because the child does not reside with the insured or solely because the child is solely dependent on a former spouse of the insured rather than on the insured. A child who does not reside with the insured may be excluded on the same basis as children who do reside with the insured.
Definitions	31A-1-301 R590-126	Definitions used in Utah Code and Rules. All Accident and Health forms must comply with these definitions.
Discretionary Authority	31A-21-201	Discretionary clauses are inequitable and misleading, violate statutory law, otherwise contrary to law, and will be prohibited from use under 31A-21-201(3)(a). Under ERISA, discretionary clauses are not allowable in an insured contract.
Endorsement or Rider	31A-21-106 R590-126-6.C	A contract may not be modified unless it is in writing and agreed upon. Riders or endorsements require a signed acceptance.
Examination Period	31A-22-605(10) & 606	A required time period that an insured has for policy examination.
Filing of Forms	31A-21-201 Bulletin 99-2	Forms are accepted on a file and use basis. It's the insurers responsibility that the filing is in compliance with Utah Code and Rules.
Grace Period	31A-22-607	Policies shall provide a grace period, during which the policy must continue in force.
Incontestability	31A-22-609	Only a fraudulent misstatement regarding insurability is a basis for avoidance after coverage has been in effect for two years.
Incorporation by Reference	31A-21-106 Bulletin 96-7	Except as provided in 31A-21-106(1)(b), no policy may contain any agreement or incorporate any provision not fully set forth in the policy, application, or attached documents.
Limitation of Actions	31A-21-313 & 314	Such provisions cannot restrict the right of action against an insurer to no less than 60 days and no more than three years from the date the cause of action accrues. In addition, they may not deny Utah court jurisdictions.
Nondiscrimination Among Health Care Professionals	31A-22-618	No insurer may unfairly discriminate against any licensed class of health care providers.
Physical Exam	31A-21-201	If an insurer requires a physical exam, the insurer must pay for such exam.
Proof of Loss and Notice	31A-21-312 Bulletin 87-6	Proof of loss provision must allow the insured or claimant to file the notice and /or proof of loss as soon as reasonably possible. Failure to give any notice or file any proof of loss required by the policy within the time specified in the policy does not invalidate a claim made by the insured, if the insured shows that it was not reasonably possible to file the notice or proof of loss within the specified time and that notice was given or proof of loss was filed as soon as reasonably possible. Failure to give notice or file proof of loss does not bar recovery under the policy if the insurer fails to show it was prejudiced by the failure.
Sample Data	R590-86 Bulletin 99-2	Each form must be completed with data that is representative of the market intended to accurately reflect its purpose and use.
Terrorism, Nuclear Release & War	31A-21-201	Acts of terrorism or nuclear release or other terms of similar import may not be excluded. War; acts of war declared or undeclared; participation in a felony, riot or insurrection; or similar acts may only be excluded if the insured is an active participant.
Variability	Bulletin 99-2	All variable information must be bracketed with an explanation of the variables. Changes must be refilled prior to use.
Specific Requirements		
Accident Benefits	R590-126-4.M	Benefits may vary if prominently set forth in policy and outline of coverage.
Disability Income Benefits	R590-126-4.K	Disability income benefits may not require a loss to commence fewer than 30 days after the date of accident, nor may any policy which the insurer cancels or refuses to renew require that it be in force at the time disability commences, if the accident occurred while the policy was in force.

Disappearance	31A-21-201	A disappearance provision may not be unfairly discriminatory, and must be in the public interest. The benefit should be paid in a situation when proof of loss, satisfactory to the company, is provided and it is reasonable to assume death occurred, but a body cannot be found.
Dismemberment Benefits	R590-126-4.L	Benefits may not be in lieu of other benefits unless specific benefit equals or exceeds the other benefits.
Optional Insureds	R590-126-4.D	When accidental death and dismemberment coverage is part of the insurance coverage offered under the contract, the insured shall have the option to include all insureds under such coverage and not just the principal insured.
Outlines of Coverage	R590-126-8.A, H & I	Required outline of coverage format.
Time Limit	R590-126-4.K	Benefits shall be payable if a loss occurs within 180 days from the date of an accident.
Rating Requirements		
Premium Rates	31A-22-602	Premiums must be reasonable relative to benefits.
Submission of Rates	R590-85-3, R590-86-3.B. Bulletin 99-2	When filing a new individual policy, the rate and its supporting documentation must be included.
Content Requirements	R590-85	All information required in the rule and its appendix must be submitted with both an initial rate filing and a rate revision.
Rate Revision Effective Date		The insurer may not revise their rates until they receive the "Rates Filed" stamp from the department. The effective date of the revision must be at a date later than the date indicated on the stamp.
Rating on Group Policies		There are no code or rule provisions.